

14.2 The contract fee payments shall be made to the City Treasurer within thirty (30) days of the close of each fiscal quarter, based on estimated revenues, with a final fiscal year payment to be submitted with a financial statement within forty-five (45) days of the end of Grantee's fiscal year, reflecting any adjustments of the quarterly estimated payments. All described payments are due within sixty (60) days of the end of the fiscal year.

Section 15. Incorporation of and Modification to Request For Proposal and Municipal Code.

15.1 Except as specifically set forth in Section 17.2 below, each and every provision of Chapter 14.08 of the Cerritos Municipal Code is hereby made a term and condition of this Ordinance and failure to comply with any such provision may be deemed a breach of Grantee's obligations under this contract.

15.2 The following provisions of Chapter 14.08 of the Cerritos Municipal Code are hereby waived by the City Council and deemed amended by this Ordinance:

- (a) Cerritos Municipal Code Section 14.08.040(c) (11).
- (b) Cerritos Municipal Code Section 14.08.060(e).
- (c) Any requirement for local origination facilities (e.g. Cerritos Municipal Code Section 14.08.220(d)) other than as specified in this Ordinance.
- (d) Any requirement for channel capacity (e.g. Cerritos Municipal Code Section 14.08.220(b)) in excess of the channels provided by 275 Mhz of bandwidth.
- (e) All dates or time requirements in Chapter 14.08 of the Cerritos Municipal Code which are in conflict with those required by this Ordinance.
- (f) Cerritos Municipal Code Section
14.08.030(b)(2).

Section 16. Programming Services.

16.1 Grantee shall make available to all subscribers at all times the programming services set forth in Exhibit G. Subsequent changes in the programming services specified on Exhibit G shall be made by mutual agreement between City and Grantee. Notwithstanding the foregoing, the Grantee may rearrange, replace, or remove a particular cable service upon providing City with not less than thirty (30) days written notice if (i) such service is no longer available to the Grantee or (ii) such service is available to the Grantee only upon payment of a royalty which Grantee documents to City is substantially in excess of the amount of royalty required on the operative date of this ordinance and that such royalty increase has not been

specifically compensated for through a rate increase or other adjustment.

16.2 Upon initial activation of the CATV system, Grantee shall provide three (3) channels with two-way system capability, the use of which shall be as determined by the City Manager of the City, such that video programming originated from the sites chosen can be instantaneously distributed throughout the CATV system. Such channels may be provided by Grantee on the bandwidth capacity leased to Grantee under the Lease Agreement.

16.3 In addition to the programming services set forth in Subsections 16.1 and 16.2, Grantee shall provide access at no cost to City for interactive city services including, but not limited to, those set forth in Exhibit H, as such services become available to the Grantee. Access as used in this Subsection 16.3 means the right of City to utilize such service and if appropriate to implement such service with its residents. The determination as to which interactive city services shall be provided at any one time shall be made by the City Manager and notice thereof sent to Grantee. Appropriate access shall be provided by Grantee within thirty (30) days of receipt of such notice. Such access shall be in addition to the 275 Mhz of bandwidth capacity otherwise required by this contract, as such capacity becomes available.

16.4 At such time as interactive services become available to Grantee to offer to its customers, Grantee shall exert its best efforts to promote such services and encourage all involved parties to participate in the business community of the City of Cerritos.

Section 17. Term.

17.1 This contract shall expire fifteen (15) years after the date the CATV System becomes fully operational as specified in paragraph 16 of the Construction Agreement unless sooner terminated as set forth in Cerritos Municipal Code Section 14.08.030.

17.2 Upon expiration of said fifteen (15) year term, City reserves the right to grant or deny a renewal of this contract, provided, however, that City shall comply with any procedure for renewal specified by State or Federal law.

Section 18. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held illegal, invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions hereof. The Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared illegal, invalid or unconstitutional. The invalidity of any portion of

this Ordinance shall not abate, reduce or otherwise affect any consideration or other obligation required of the Grantee by the contract granted hereunder.

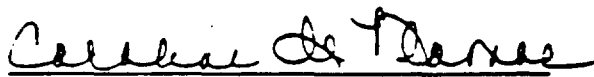
Section 19. Notices. Every direction, notice or order to be served upon the Grantee shall be hand delivered or sent by certified mail to the Grantee at P.O. Box 3304, San Luis Obispo, California, 93403. Every notice to be served upon the City shall be hand delivered or sent by certified mail to the City Clerk at: Civic Center, City of Cerritos, Bloomfield Avenue at 183rd Street, Post Office Box 3130, Cerritos, California 90703. The delivery of such notice shall be deemed to have been at the time of receipt, if hand delivered, or five days after deposit in the mail, if sent by certified mail.

Section 20. Effective Date. This ordinance shall take effect thirty (30) days after its final passage and within fifteen (15) days after its passage, the City Clerk shall cause it to be posted in three (3) public places designated for that purpose and published in a newspaper of general circulation.

PASSED, APPROVED AND ADOPTED this 4th day of March, 1987.


Donald Knabe, Mayor

ATTEST:



Caroline deLlamas, City Clerk

I, Caroline deLlamas, City Clerk of the City of Cerritos, hereby certify that the foregoing Ordinance was adopted by the City Council at a regular meeting held on March 4, 1987, by the following vote:

AYES: Joynt, Needham, Rabbitt, Wong, and Knabe.

NOES: None.

ABSENT: None.


Caroline deLlamas, City Clerk

CERTIFICATE OF SERVICE

I, Roberta Schrock, a secretary in the law firm of Gardner, Carton & Douglas, certify that I have this 15th day of August, 1994, caused a copy of the foregoing BRIEF ON BEHALF OF APOLLO CABLEVISION, INC. to be served on the following by first-class U.S. mail, postage prepaid:

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Federal Communications
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Roberta Schrock

* Hand delivered.